STATE OF ILLINOIS SECRETARY OF STATE SECURITIES DEPARTMENT

IN THE MATTER OF: BIG K ENERGY CORPORATION, AND BIG K ENERGY PARTNERS ONE, LTD. ,OFFICERS AND DIRECTORS, AGENTS, EMPLOYEES, PARTNERS, SUCCESSORS AND ASSIGNS AND KENNETH M. KLEINKE INDIVIDUALLY

FILE NO. 1100476

ORDER OF PROHIBITION

TO RESPONDENTSS:

Big K Energy Partners One, Ltd.

c/o Darrell L. Clements, Registered Agent

17110 Dallas Parkway, Suite 214

Dallas, Texas 75248

Big K Energy Corporation, General partner

Big K Energy Partners One, Ltd.

c/o Darrell L. Clements, Registered Agent

17110 Dallas Parkway, Suite 214

Dallas, Texas 75248

Kenneth Klienke

c/o Big K Energy Corporation 100 Park Row Avenue, Apt.C

Long Beach, Mississippi 39560-4833

Kenneth Klienke

c/o Big K Energy Partners One, Ltd.

P.O. Box 1466

Long Beach, Mississippi 39560-1466

WHEREAS, a Temporary Order of Prohibition was issued by the Secretary of State on January 13, 2012, which temporarily prohibited Big K Energy Coporation and Big K Energy Partners One Ltd. (the "Respondent") from offering or selling, or dealing in securities, or from acting in the business of rendering Investment Advice in the State of Illinois until further order from the Secretary of State.

WHEREAS, pursuant to Section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act"), the failure to request a hearing within thirty (30) calendar days of the entry of a Temporary Order shall constitute an admission of any facts alleged therein and constitute a sufficient basis to make the Temporary Order final.

WHEREAS, the Respondent has failed to request a hearing on the matters contained in the Temporary Order within thirty (30) calendar days of the entry of said Temporary Order and the Respondent is hereby deemed to have admitted the facts alleged in the said Temporary Order.

WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Findings of Fact contained in the said Temporary Order as the Secretary of State's Findings of Fact as follows:

- 1. That Respondents Big K Energy Partners One, Ltd., a Texas limited partnership ("Partners") maintained its principal business address at 100 Park Row Avenue, Suite C, Long Beach, Mississippi 39560-4826.
- 2. That Respondents Big K Energy Corporation, a Texas corporation ("Corporation") maintained a business address at 100 Park Row Avenue, Apt. C, Long Beach, Mississippi 39560-4833.
- 3. That Respondents Kenneth M. Klinke, President of Corporation and general partner, owner and operator of Partners, an individual, ("Kleinke"), collectively with Corporation and Partners ("Respondentss") maintained a business address at 100 Park Row Avenue, Apt. C, Long Beach, Mississippi 39560-4833.
- 4. That during the summer of 2010, Respondents, by and through its Officers, Directors, Partners, Employees, Affiliates, Successors, Agents and Assigns, caused to be placed a Pop Up Ad, (the "Ad") appearing on the web page "http://www.OilGasVentures.Com," which was viewed by at least one (1) Illinois resident (the "Investor").
- 5. That Respondents' Ad was answered via email wherein the Investor left his name, email address and telephone number.
- 6. That a representative of Respondents then called the Investor and pursued a relationship with Investor for the purpose of selling Investor working interests ("Units") in Big K Energy Partners One, Ltd., Scurry-Mitchell No. 1-Joint Venture at the price of \$67,500.00 (sixty-seven thousand five hundred) dollars per unit (the "Offering").
- 7. The purpose of the offering was to raise funds for "drilling, testing and completion plus acreage."
- 8. That Respondents' representative told the Investor he would then receive \$30,000.00 (thirty-thousand) or more dollars per month. Investor was further told

that this "is a can't miss well" and that Respondents were "so close to hitting oil." In fact their "geologic analysis proved without a doubt there is oil and gas."

- 9. Subsequent to the foregoing solicitation, the Investor purchased the Offering, and on September 13, 2010 signed a subscription agreement with Respondents. On November 2, 2010, Investor wired Corporation the amount of \$18,500.00 (eighteen-thousand five hundred) dollars and on November 10, 2010 wired the balance of \$49,000.00 (forty-nine thousand) dollars to Corporation.
- 10. That on June 8, 2011, after much touting by the Respondents regarding the progress on the September 13, 2010 investment, Investor purchased a second unit in Big K Energy Partners One, Ltd., Scurry-Mitchell No. 1- Joint Venture.
- 11. On June 16, 2011 Respondent sent Investor a letter informing him that the well was dry.
- 12. That the activities described in paragraphs 4 through 9 above constitute the offer and sale of a certificate of participation in a profit-sharing agreement or an investment contract and therefore a security as those terms are defined in Sections 2.1, 2.5 and 2.5a of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act").
- 13. That Section 5 of the Act provides, <u>inter alia</u>, that all securities except those exempt under Section 3 or those offered or sold in transactions exempt under Section 4 shall be registered either by coordination or by qualification prior to their offer or sale in the State of Illinois.
- 14. That Respondents failed to file with the Secretary of State an application for registration of the securities described above as required by the Act and as a result the security was not registered pursuant to Section 5 of the Act prior to its offer and sale in the State of Illinois.
- 15. That Section 12.A of the Act provides, <u>inter alia</u>, that it shall be a violation for any person to offer or sell any security except in accordance with the provisions of the Act.
- 16. That Section 12.D of the Act provides, <u>inter alia</u>, that it shall be a violation for any person to fail to file with the Secretary of State any application, report or document required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act.
- 17. That by virtue of the foregoing, Respondents have violated Sections 12.A and 12.D of the Act.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondents, Big K Energy Corporation, Big K Energy Partners One, Ltd., their officers, directors, agents, employees, members, managers, partners, affiliates, and successors, and Kenneth M. Kleinke, individually are PROHIBITED from offering or selling securities in or from this State until further Order of the Secretary of State.

Order of Prohibition

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NOTICE: Failure to comply with the terms of this Order shall be a violation of Section 15-65 of the ACT. Any person who willfully violates this act commits a class 4 felony.

This is a final order subject to administrative review pursuant to the Administrative Review Law [735 ILCS 5/3-101 et seq.] and the Rules and Regulations of the Act (14 Ill. Admin. Code, Ch. 1 Sec. 130.1123). Any action for judicial review must be commenced within thirty-five (35) days from the date a copy of this Order is served upon the party seeking review.

ENTERED: This 1st day, of March 2012.

JESSE WHITE Secretary of State State of Illinois

Attorney for the Secretary of State:

Samuel F. Freiman Illinois Securities Department 69 West Washington Street, Suite 1220 Chicago, Illinois 60602 312-793-3384